

# **The City of Saint John**

## **Consolidated Financial Statements**

December 31, 2020

# The City of Saint John

## Contents

### Consolidated Financial Statements

	<b>Page</b>
Independent Auditor's Report	3 - 4
Consolidated Statements of Financial Position	5
Consolidated Statement of Operations and Accumulated Surplus	6
Consolidated Statement in Changes in Net Debt	7
Consolidated Statement of Cash Flow	8
Notes to the Consolidated Financial Statements	9-38

## Independent Auditor's Report

To Her Worship the Mayor and Members of Common Council of  
The City of Saint John

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of The City of Saint John (the "City"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, and accumulated surplus, change in net debt and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2020, and the results of its operations, its accumulated surplus, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Deloitte LLP*

Chartered Professional Accountants  
September 10, 2021  
Saint John, NB

# The City of Saint John

## Consolidated Statement of Financial Position As at December 31, 2020

	2020 \$	2019 \$
<b>Financial Assets</b>		
Cash and cash equivalents (Note 4)	99,566,221	86,821,672
Accounts receivable (Notes 5, 6 & 7)	24,509,534	13,566,770
Investment in energy services (Note 8)	36,716,000	40,755,000
Note receivable (Note 9)	25,000,000	-
Other investments (Note 10)	8,590,847	8,590,125
	<b>194,382,602</b>	<b>149,733,567</b>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities (Note 11)	58,199,763	41,821,720
Deferred revenue	1,336,080	1,114,533
Deferred government transfers (Note 12)	16,599,751	41,864,256
Post-employment benefits and compensated absences (Note 14)	105,668,370	112,178,104
Long-term debt (Note 13)	228,821,103	218,102,854
	<b>410,625,067</b>	<b>415,081,467</b>
<b>Net debt</b>	<b>(216,242,465)</b>	<b>(265,347,900)</b>
<b>Non-financial assets</b>		
Inventory	4,010,220	4,385,067
Prepaid expenses	700,174	588,163
Tangible capital assets (Note 21)	1,006,544,858	1,018,953,533
	<b>1,011,255,252</b>	<b>1,023,926,763</b>
<b>Accumulated surplus</b>	<b>795,012,787</b>	<b>758,578,863</b>
Contingencies (Note 15)		
Commitments (Note 16)		

Approved by:

  
Donna Noade Reardon, Mayor

  
Gary Sullivan, Chair of Finance Committee

  
Jonathan Taylor, Common Clerk



# The City of Saint John

## Consolidated Statement of Operations and Accumulated Surplus As at December 31, 2020

	2020 Budget (Unaudited) (Note 2) \$	2020 \$	2019 \$
<b>Revenues</b>			
Property taxes	125,844,159	<b>127,968,110</b>	125,704,831
Unconditional grant	17,204,756	<b>16,182,335</b>	16,279,669
Financial assistance	9,293,235	<b>4,590,709</b>	2,788,061
Other revenue from own sources (Note 27)	23,097,209	<b>16,062,570</b>	24,329,404
Water and sewer revenue (Note 17)	44,766,000	<b>44,845,378</b>	45,592,250
Miscellaneous revenue	349,240	<b>3,589,125</b>	740,887
Contributions from others (Note 27)	1,342,727	<b>1,870,137</b>	1,654,379
	<b>221,897,326</b>	<b>215,108,364</b>	217,089,481
<b>Expenses</b>			
General government services (Note 27)	46,759,490	<b>35,497,884</b>	32,386,324
Protective services (Note 27)	56,277,601	<b>53,669,208</b>	53,891,311
Transportation services (Note 27)	39,596,888	<b>43,362,944</b>	48,805,432
Water and sewer services (Note 27)	50,331,000	<b>46,223,630</b>	46,951,619
Environmental health services (Note 27)	3,781,035	<b>3,724,884</b>	3,264,430
Environmental development services (Note 27)	17,967,504	<b>17,044,069</b>	19,773,933
Recreational and cultural services (Note 27)	9,314,523	<b>8,813,836</b>	10,550,737
Loss from energy services	-	<b>4,039,000</b>	10,046,000
	<b>224,028,041</b>	<b>212,375,455</b>	225,669,786
Annual surplus (deficit) before capital contributions	(2,130,715)	<b>2,732,909</b>	(8,580,305)
Government transfers for capital (Note 27)	-	<b>33,701,015</b>	66,720,509
Other contributed assets for capital (Note 27)	-	-	2,202,801
Annual surplus	-	<b>36,433,924</b>	60,343,005
Accumulated surplus, beginning of year	-	<b>758,578,863</b>	698,235,858
Accumulated surplus, end of year	-	<b>795,012,787</b>	758,578,863

# The City of Saint John

## Consolidated Statement of Changes in Net Debt As at December 31, 2020

	2020	2019
	\$	\$
<b>Annual surplus</b>	<b>36,433,924</b>	60,343,005
Acquisition of tangible capital assets (Note 21)	<b>(29,957,511)</b>	(37,740,309)
Loss on disposal of tangible capital assets (Note 21)	<b>556,469</b>	1,355,784
Proceeds on sale of tangible capital assets	<b>679,807</b>	211,627
Amortization of tangible capital assets (Note 21)	<b>41,129,910</b>	40,652,396
Decrease in inventory	<b>374,847</b>	586,271
(Increase) decrease in prepaid expenses	<b>(112,011)</b>	438
Decrease in net debt	<b>49,105,435</b>	65,409,212
Net debt, beginning of year	<b>(265,347,900)</b>	(330,757,112)
Net debt, end of year	<b>(216,242,465)</b>	(265,347,900)

# The City of Saint John

## Consolidated Statement of Cash Flow

As at December 31, 2020

	2020 \$	2019 \$
<b>Operating transactions</b>		
Annual surplus	36,433,924	60,343,005
<b>Items not involving cash</b>		
Amortization of tangible capital assets (Note 21)	41,129,910	40,652,396
Loss on disposal of tangible capital assets	556,469	1,355,784
Change in investment in energy services	4,039,000	10,046,000
<b>Change in non-cash assets and liabilities</b>		
Accounts receivable	(10,942,764)	1,361,258
Inventory	374,847	586,271
Prepaid expenses	(112,011)	438
Accounts payable and accrued liabilities	16,378,043	(112,100,209)
Deferred revenue	221,547	(235,569)
Deferred government transfers	(25,264,505)	(3,463,018)
Other post-employment liabilities	(6,509,734)	(5,664,681)
	<b>56,304,726</b>	<b>(7,118,325)</b>
<b>Capital transactions</b>		
Acquisitions of tangible capital assets (Note 21)	(29,957,511)	(37,740,309)
Proceeds on the sale of tangible capital assets	679,807	211,627
	<b>(29,277,704)</b>	<b>(37,528,682)</b>
<b>Financing transactions</b>		
Repayment of long-term debt	(21,281,751)	(21,484,676)
Proceeds from long-term debt	32,000,000	8,828,000
	<b>10,718,249</b>	<b>(12,656,676)</b>
<b>Investing transactions</b>		
(Purchase) redemption of investments (Note 10)	(722)	89,636,881
Note receivable	(25,000,000)	-
	<b>(25,000,722)</b>	<b>89,636,881</b>
Net Increase in cash and cash equivalents	<b>12,744,549</b>	<b>32,333,198</b>
Cash and cash equivalents, beginning of year	<b>86,821,672</b>	<b>54,488,474</b>
Cash and cash equivalents, end of year	<b>99,566,221</b>	<b>86,821,672</b>



**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**1. Purpose of the Organization**

The City of Saint John (the "City") was incorporated by royal charter in 1785. As a municipality, the City is exempt from income taxes under Section 149(1)(c) of the Canadian Income Tax Act. The City has the following vision statement: "We are energized, engaged people committed to working together to provide services that are responsive to community needs and delivered in a sustainable, cost effective way."

**2. Summary of Significant Accounting Policies**

The consolidated financial statements of the City are the representations of the City's management prepared in accordance with Public Sector Accounting Standards ("PSAS") as recommended by the Chartered Professional Accountants of Canada Public Sector Accounting Board ("PSAB").

Significant aspects of the accounting policies adopted by the City are as follows:

**Reporting Entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the City and which are owned or controlled by the City.

Interdepartmental and organization transactions and balances are eliminated.

The focus of PSAS financial statements is on the financial position of the City and the changes thereto. The Consolidated Statement of Financial Position includes all the assets and liabilities of the City.

The entities included in the consolidated financial statements, having the same year end as the City, are as follows:

1. The City of Saint John General Operating Fund
2. The City of Saint John Capital and Loan Fund
3. The City of Saint John Water and Sewerage Utility Operating Fund
4. The City of Saint John Water and Sewerage Utility Capital and Loan Fund
5. Saint John Parking Commission
6. Saint John Transit Commission
7. Develop Saint John
8. Harbour Station Commission
9. Saint John Aquatic Centre Commission
10. Saint John Trade and Convention Centre
11. Saint John Energy
12. Lord Beaverbrook Rink
13. Saint John Police Commission
14. Saint John Free Public Library
15. Saint John Jeux Canada Games Foundation, Inc.

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**2. Summary of Significant Accounting Policies (Continued)**

**Investment in Energy Services**

The City's investment in Saint John Energy is accounted for on a modified equity basis, consistent with generally accepted accounting principles as recommended by PSAS. Under the modified equity basis of accounting, the business enterprise's accounting principles are not adjusted to conform with those of the City and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income or loss of Saint John Energy in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account.

**Budget**

The budget figures contained in these financial statements were approved by Council on December 16, 2019 and the Minister of Local Government on February 4, 2020. The budget is unaudited and does not include elimination of inter-organizational revenues and expenses with controlled entities.

**Revenue Recognition**

Unrestricted revenue and other sources of revenue are recorded on an accrual basis and is recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Other revenue is recorded when it is earned. Property taxes, which are authorized by Council, are recognized as revenues in the period for which the taxes are levied.

**Government Transfers**

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability and reasonable estimates of the amounts can be made. Transfers are recognized as deferred revenue when amounts have been received but not all eligible criteria have been met.

**Expenses**

Expenses are recorded on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

**Measurement Uncertainty**

The preparation of the consolidated financial statements in accordance with Canadian PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Key components of the consolidated financial statements requiring management to make estimates include: the useful life of tangible capital assets, impairment of tangible capital assets, rates for amortization, allowance for doubtful accounts in respect of receivables and estimates for pension liabilities. Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could materially differ from those estimates.

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**2. Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with original maturities of three months or less. Restricted cash is not available for use in general operations and is not available for withdrawal as it is legally restricted in accordance with third-party special purpose agreements.

**Tangible Capital Assets**

Tangible capital assets are non-financial assets having a physical substance that:

- Are held for use by the City in the production or supply of goods and services, for rentals to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible assets;
- Have useful lives extending beyond one year and are intended to be used on a continual basis;
- Have a minimum value of \$5,000 for individual assets; or \$25,000 for pooled assets; and
- Are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Assets that fall below the threshold amounts are expensed for accounting purposes. The cost of the tangible asset is amortized on a straight line over the estimated useful life as follows:

<b>Asset Type</b>	<b>Years</b>
Equipment and light machinery	3-25
Furniture and office equipment	5-15
Information technology equipment and software	1-15
Land	N/A
Land improvements	5-100
Leasehold improvements	term of lease
Municipal buildings	10-70
Transportation	5-50
Motor vehicles and mobile equipment	5-20
Water and wastewater networks	5-100

In the year of acquisition and the year of disposal, one half of the annual amortization expense is recognized.

Assets under construction are not amortized until the asset is available to productive use.

Tangible capital assets are written down when conditions indicate that there is impairment in the value of the assets and the reduction in the value can be objectively estimated and it is expected to be permanent. The net write-downs are accounted for as expenses in the statement of operations.

Donated or contributed assets are recorded at fair market value at the date of construction or donation. In some circumstances, replacement cost may be used.

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**2. Summary of Significant Accounting Policies (Continued)**

**Segmented Information**

The City provides a wide range of services to its residents. For management reporting purposes, operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by service areas as follows:

**General Government Services**

This segment is responsible for the overall governance and financial administration of the City. This includes Council functions, general and financial management, legal matters and compliance with legislation as well as civic relations.

**Protective Services**

This segment is responsible for the provision of policing services, fire protection, emergency measures, animal control and other protective measures.

**Transportation Services**

This segment is responsible for common services, road and street maintenance, street lighting, traffic services, parking and other transportation related functions.

**Water and Sewer Services**

This segment is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks, treatment plants, reservoirs and lagoons.

**Environmental Health Services**

This segment is responsible for the provision of waste collection and disposal.

**Environmental Development Services**

This segment is responsible for planning and zoning, community development, tourism and other municipal development and promotion services.

**Recreation and Cultural Services**

This segment is responsible for the maintenance and operation of recreational and cultural facilities, including the swimming pool, arenas, parks and playgrounds and other recreational and cultural facilities.

**Energy Services**

This segment comprises a non-generating distribution utility that supplies electricity to municipal, residential, general service and industrial customers through 12 interconnection supply points and substations located in the City. It also provides street lighting, area lighting and water heater rental services.

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**2. Summary of Significant Accounting Policies (Continued)**

**Inventory**

Inventory consists mainly of parts and materials and is valued at the lower of cost and net replacement cost with cost being determined on the first in, first out basis.

**Post Employment Benefits**

The City recognizes its obligations under post-employment benefit plans and the related costs, as disclosed in Note 14. Where appropriate, the City has undertaken actuarial valuations.

**3. Bank Loan Payable**

The City has credit facilities with the Bank of Nova Scotia. According to the terms and conditions of the commitment letter signed between the City and the Bank of Nova Scotia, the City can borrow up to \$6 million to fund general operations and \$25 million to assist in financing capital expenditures pending fall-in of long-term financing. The interest rate for the credit facilities is the Bank's prime lending rate less 0.5% per annum with interest payable monthly. As at December 31, 2020, the balance of the bridge financing credit facility was \$nil (2019 - \$nil) and the balance of the operating line of credit was \$nil (2019 - \$nil).

As prescribed in the Municipalities Act, borrowing to finance General Fund operations is limited to 4% of the City's operating budget. Borrowing to temporarily finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2020, the City has complied with these limitations.

**4. Cash and Cash Equivalents**

Cash and cash equivalents consists of the following:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Unrestricted cash	<b>63,015,124</b>	42,590,667
<b>Restricted cash</b>		
Gas Tax	<b>16,599,751</b>	14,069,996
Deposits on contracts	<b>1,105,068</b>	1,136,939
Develop Saint John	<b>1,000,000</b>	1,000,000
Land Sub-division Fund	<b>113,934</b>	150,901
Saint John Non-Profit Housing Future Development Fund	<b>54,193</b>	53,613
Airspace 2049 Fund	<b>7,775</b>	25,296
Safe Clean Drinking Water Project	<b>17,670,376</b>	27,794,260
	<b>99,566,221</b>	86,821,672

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

**5. Accounts Receivable**

Accounts receivable consist of the following:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Water and sewer charges to ratepayers	<b>10,437,490</b>	7,940,040
Due from the Federal Government and its agencies	<b>9,168,660</b>	2,387,389
Other	<b>5,689,584</b>	3,483,072
Due from the Province of New Brunswick	<b>1,128,338</b>	1,475,380
Allowance for doubtful accounts	<b>(1,914,538)</b>	(1,719,111)
	<b>24,509,534</b>	13,566,770

**6. Due from the Federal Government and its Agencies**

Amounts due from the Federal Government and its agencies consists of the following:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Clean Waste Water Funding	-	1,162,249
Canada Revenue Agency HST Receivable	<b>9,145,003</b>	1,175,952
Other	<b>23,657</b>	49,188
	<b>9,168,660</b>	2,387,389

**7. Due from the Province of New Brunswick**

Amounts due from the Province of New Brunswick consists of the following:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Department of Public Safety - Flood 2018	<b>738,499</b>	502,000
Department of Transportation	<b>225,805</b>	276,333
Other	<b>164,034</b>	124,596
Clean Waste Water Funding	-	572,451
	<b>1,128,338</b>	1,475,380

**8. Investment in Energy Services**

Change in equity Saint John Energy:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Investment, beginning of year	<b>40,755,000</b>	50,801,000
Net loss	<b>(4,039,000)</b>	(10,046,000)
Investment, end of year	<b>36,716,000</b>	40,755,000

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

**9. Note receivable**

The note receivable from the Power Commission of the City of Saint John is as follows:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Power Commission of the City of Saint John	<b>25,000,000</b>	-

The note receivable is a 10-year term loan, unsecured, bearing interest at rates ranging from 0.5% to 1.8%, principal repayable in annual installments of \$2,500,000 and maturing on November 26, 2030.

The aggregate amount of principal repayments required in each of the next five years are:

	<b>\$</b>
2021	<b>2,500,000</b>
2022	<b>2,500,000</b>
2023	<b>2,500,000</b>
2024	<b>2,500,000</b>
2025	<b>2,500,000</b>
	<b>12,500,000</b>

**10. Other Investments**

Other investments consist of the following:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Canada Games Foundation investments	<b>7,847,249</b>	7,350,333
Other investments	<b>743,598</b>	1,239,792
	<b>8,590,847</b>	8,590,125

Investments of the City of Saint John are held with the Bank of Nova Scotia and consist of 2 year term redeemable GICs issued by the Bank of Scotia which fall within the scope of the City's Investment Policy. It is the policy of the City to invest funds to provide the optimal blend of investment returns and principal protection while meeting the City's daily cash flow and liquidity demands.

The investments of the Canada Games Foundation (the "Foundation") are held in the custody of Scotiabank and CIBC Mellon. The Foundation's investment strategy is to hold high quality corporate or government bonds and liquid equity investments which bear no unusual credit or interest rate risk. Fair values of investments in fixed income securities and equities are determined using year end quoted market prices.

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

**11. Accounts payable and Accrued Liabilities**

Accounts payable and accrued liabilities consist of the following:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Payables related to the Safe Clean Drinking Water project	<b>28,093,955</b>	10,377,481
Trade payables	<b>19,321,752</b>	20,996,747
Payroll	<b>7,485,173</b>	7,139,017
Deposits	<b>1,141,794</b>	1,160,039
Conferences and holdings	<b>1,030,786</b>	1,007,508
Interest payable	<b>585,786</b>	643,725
Due to Pension Fund	<b>331,173</b>	295,643
Other	<b>209,344</b>	201,560
	<b>58,199,763</b>	41,821,720

**12. Deferred Government Transfers**

Deferred government transfers consist of the following:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Gas tax funding	<b>16,599,751</b>	14,069,996
Contribution from Regional Development Corporation	-	27,794,260
	<b>16,599,751</b>	41,864,256

As per the Gas Tax Funding Agreement, funding received as part of the Gas Tax Funding program is recorded as revenue in the year during which related expenditures are incurred. Amounts that have not been spent are recorded as deferred government transfers on the Consolidated Statement of Financial Position.

The contribution from Regional Development Corporation was related to the Safe Clean Drinking Water Project.



The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

13. Long-Term Debt

Year of Issue	Interest Rate %	Term (Years)	2020	2020	2019
			Annual Payment \$	\$	\$
<b>New Brunswick Municipal Finance Corporation Debentures</b>					
2008	2.10 to 5.55	15	367,000	<b>1,096,000</b>	1,463,000
2008	2.10 to 5.55	15	175,000	<b>1,400,000</b>	1,575,000
2008	2.10 to 5.55	15	100,000	<b>300,000</b>	400,000
2010	1.50 to 4.55	10	6,000,000	-	6,000,000
2010	1.50 to 4.55	10	2,750,000	-	2,750,000
2011	1.65 to 4.25	10	1,667,000	<b>11,997,000</b>	13,664,000
2011	1.65 to 4.25	10	700,000	<b>7,700,000</b>	8,400,000
2011	1.35 to 3.45	10	300,000	<b>1,800,000</b>	2,100,000
2011	1.35 to 3.45	10	350,000	<b>3,850,000</b>	4,200,000
2011	2.06	15	200,000	<b>2,200,000</b>	2,400,000
2012	1.35 to 3.55	15	767,000	<b>5,364,000</b>	6,131,000
2012	1.35 to 3.80	20	425,000	<b>5,100,000</b>	5,525,000
2012	1.35 to 3.55	15	300,000	<b>2,100,000</b>	2,400,000
2013	1.35 to 3.70	15	687,000	<b>5,491,000</b>	6,178,000
2013	1.35 to 4.00	20	550,000	<b>7,150,000</b>	7,700,000
2013	1.35 to 4.00	20	360,000	<b>6,480,000</b>	6,840,000
2014	2.00	20	500,000	<b>7,000,000</b>	7,500,000
2014	1.15 to 3.90	15	707,000	<b>6,358,000</b>	7,065,000
2014	1.20 to 3.70	15	267,000	<b>2,398,000</b>	2,665,000
2014	1.20 to 3.70	20	668,000	<b>4,672,000</b>	5,340,000
2014	1.15 to 3.90	15	27,000	<b>238,000</b>	265,000
2015	0.95 to 3.25	15	500,000	<b>5,000,000</b>	5,500,000
2015	1.05 to 3.65	15	607,000	<b>1,335,000</b>	1,942,000
2015	0.95 to 3.50	20	175,000	<b>2,625,000</b>	2,800,000
2015	1.05 to 3.15	20	175,000	<b>875,000</b>	1,050,000
2015	1.05 to 3.65	15	107,000	<b>665,000</b>	772,000
2016	1.20 to 3.55	15	1,034,000	<b>4,034,000</b>	5,068,000
2016	1.45 to 3.50	15	400,000	<b>4,400,000</b>	4,800,000
2016	1.45 to 3.75	20	200,000	<b>3,200,000</b>	3,400,000
2016	1.20 to 2.95	10	400,000	<b>2,400,000</b>	2,800,000
2016	1.20 to 3.55	15	127,000	<b>792,000</b>	919,000
2017	1.20 to 3.30	15	333,000	<b>4,001,000</b>	4,334,000
2017	1.65 to 3.20	15	513,000	<b>2,361,000</b>	2,874,000
2017	1.65 to 3.40	30	1,500,000	<b>40,500,000</b>	42,000,000
2017	1.65 to 2.90	10	350,000	<b>2,450,000</b>	2,800,000
2017	1.65 to 3.20	15	101,000	<b>867,000</b>	968,000
2018	2.55 to 3.55	15	700,000	<b>9,100,000</b>	9,800,000
2018	2.10 to 3.00	5	566,000	<b>1,698,000</b>	2,264,000

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

13. Long-Term Debt (Continued)

Year of Issue	Interest Rate %	Term (Years)	2020	2020	2019
			Annual Payment \$	\$	\$
2018	2.10 to 3.45	10	125,000	<b>1,000,000</b>	1,125,000
2019	2.050 to 2.300	5	1,034,000	<b>4,136,000</b>	5,170,000
2019	3.41	10	143,000	<b>1,285,000</b>	1,428,000
2019	2.050 to 2.850	10	75,000	<b>675,000</b>	750,000
2019	1.950 to 2.100	5	334,000	<b>1,336,000</b>	1,670,000
2019	1.950 to 2.800	15	1,059,000	<b>9,171,000</b>	10,230,000
2019	1.950 to 2.450	10	250,000	<b>2,250,000</b>	2,500,000
2020	0.90 to 1.50	5	-	<b>5,000,000</b>	-
2020	0.50 to 2.30	15	-	<b>7,000,000</b>	-
2020	0.90 to 2.05	10	-	<b>2,500,000</b>	-
2020	0.50 to 1.80	10	-	<b>25,000,000</b>	-
			28,675,000	<b>228,350,000</b>	217,525,000
<b>Other Debentures</b>					
<b>Canada Mortgage and Housing Debentures</b>					
2009	3.97	15	106,752	<b>471,103</b>	577,854
<b>Total Debentures</b>			28,781,752	<b>228,821,103</b>	218,102,854

The aggregate amount of principal repayments required in each of the next five years and thereafter to meet provisions of long-term debt, assuming maturity debt is renewed at terms comparable to those currently in effect, is as follows:

	\$
2021	<b>23,738,990</b>
2022	<b>23,048,396</b>
2023	<b>23,508,977</b>
2024	<b>21,435,740</b>
2025	<b>18,909,000</b>
Thereafter	<b>118,180,000</b>
<hr/>	
	<b>228,821,103</b>

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**14. Post Employment Benefits and Compensated Absences**

**City of Saint John Shared Risk Plan**

The City of Saint John Pension Plan (Former CSJ Plan) was converted to the City of Saint John Shared Risk Plan ("CSJ SRP") effective January 1, 2013 (the conversion date). The purpose of the CSJ SRP is to provide secure benefits to members of the plan without an absolute guarantee but with a risk focused management approach delivering a high degree of certainty that base benefits can be met in the vast majority of potential future economic scenarios. These objectives are achieved through the development of a risk management framework that adheres to the legislated criteria, results in a low probability that base benefits will be reduced, and sets out the specific steps to be taken should the Plan's funded ratio fall below, or exceed, specified thresholds. These steps, when the Plan is underfunded, include the cessation of indexation of benefits, increasing contribution rates (to a predetermined maximum), reducing certain ancillary benefits, and ultimately reducing base benefits. When the Plan has excess funding, previous benefit reductions can be reversed, indexing is fully implemented, and various other potential increases can be implemented, including a decrease in contribution rates (to a predetermined maximum).

Shared risk plans are legislated under the provincial Pension Benefits Act (PBA) which contains a number of requirements that must be met in order to qualify for registration by the Office of the Superintendent of Pensions. The Plan is also subject to the Income Tax Act. The Plan is administered by a Board of Trustees which includes 4 individuals nominated by the City and 4 individuals nominated by each of the four unions.

The assets of the Plan are held by RBC Investor and Treasury Services which acts as custodian of the Plan. The assets of the Plan are managed by various investment managers who have discretionary investment authority within the investment mandates given to them by the Plan's Board of Trustees. The performance of the Plan relative to its benchmarks is measured on a regular basis.

For service prior to the conversion date, the Plan provides for pensions at the rate of 2% per year of service times the average of the three consecutive years of service having the highest salary at the time of conversion. For service after the conversion date, the pension accrual for each year of service is 1.8% times the salary (excluding overtime pay) earned during the relevant year to a certain maximum salary of \$140,599 that is indexed every year.

Pension benefits accrued before the conversion date are payable without reduction when the member's age and service equal at least 85 (or at age 65, if earlier). Pension benefits accrued after the conversion date are payable without reduction at age 60 for employees in the International Association of Fire Fighters and Saint John Police Association and at age 65 for all other employees. Pension benefits can be paid as early as age 55 with a reduction.

Shared risk plans extinguish all accrued rights to automatic future indexing. These automatic adjustments have been replaced by indexing as permitted by the Plan's funding policy, which is contingent on the SRP performance.

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**14. Post Employment Benefits and Compensated Absences (Continued)**

**City of Saint John Shared Risk Plan (Continued)**

The initial required employee contributions are equal to 12% of earnings for employees in the International Association of Fire Fighters and Saint John Police Association and employee contributions of 9% of earnings for other employees. Members in public safety occupations who accept a non-union position will have a one-time opportunity to elect to continue to contribute at the higher rate. The City makes initial required employer contributions of 15.2% and 11.4% of earnings (representing about 126.7% of employee contribution rates) for each of these groups. The initial contribution rates for both the employees and the City is subject to change as a result of the triggering mechanism and limitations imposed by the Plan's funding policy. Also, since April 1, 2013, the City is required to make contributions of 17% of earnings for a period of 15 years, or when the Plan achieves a minimum funded ratio of 150% (as calculated under the legislation) using a 15-year open group method (no less than 10 years of payment must be made). The City has no other financial obligation other than to make contributions at the above rates, and within the limits found under the Plan's funding policy.

In the event of a wind-up of the Plan in the five years following the conversion date, the Plan would be wound up under the provisions of the Former CSJ Plan. All assumptions relating to the CSJ SRP have been made on the basis of an on-going Plan and the City does not foresee a wind-up of the Plan.

**Actuarial Valuations**

Actuarial valuations for the Plan are conducted annually by the Board of Trustees for regulatory purposes. In turn, the actuarial valuations for accounting purposes are based on these figures (with adjustments). The most recent actuarial valuation was prepared as at January 1, 2020. The actuarial valuations for accounting purposes are based on a number of assumptions about future events, such as inflation rates, interest rates, salary increases, employee turnover and mortality. The accrued benefit obligation as at December 31, 2019 and current period benefit cost for the following year are based on an actuarial valuation conducted as at December 31, 2019. The accrued benefit obligation as at December 31, 2019 and current period benefit cost for the following year are based on an actuarial valuation conducted as at December 31, 2019 and extrapolated to December 31, 2020, using assumptions effective for December 31, 2019. The assumptions used reflect management's best estimates. The following summarizes the major assumptions in the accounting valuations and extrapolations at the various effective dates:

	<b>2020</b>	<b>2019</b>
Discount rate	<b>5.50%</b>	5.85%
Inflation rate	<b>2.10%</b>	2.10%
Salary increase	<b>2.85%</b>	2.85%
Mortality	CPM - 2014 mortality table with adjustments factors	

The Expected Average Remaining Service Life (EARSL) is 12 years. During the year, the City made pension contributions of \$19,400,000 (2019 - \$19,700,000).

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

**14. Post Employment Benefits and Compensated Absences (Continued)**

**City of Saint John Shared Risk Plan (Continued)**

The following table reflects the City's share of the accrued benefit liability, which equals to the full portion of the Accumulated Benefit Obligation ("ABO") related to the temporary contributions and 55.9% of the remaining portion of the ABO net of Plan assets because funding contributions are shared at 55.9% by the City and 44.1% by employees, before taking into account the additional temporary contribution of 17% of earnings.

	2020	2019
	\$	\$
City share of accrued benefit liability, beginning of year	79,500,000	114,100,000
City share of current period benefit cost	6,000,000	6,000,000
City share of past service cost	3,400,000	1,800,000
Interest cost	4,500,000	6,600,000
Less City contributions	(19,400,000)	(19,700,000)
Actuarial loss (gain)	4,300,000	(29,300,000)
City share of accrued benefit liability, end of year	78,300,000	79,500,000
Unamortized actuarial gain	8,900,000	14,800,000
Pension liability, end of year	87,200,000	94,300,000

The following table reflects the City share of pension related expenses:

	2020	2019
	\$	\$
Current period benefit cost	6,000,000	6,000,000
Past service cost	3,400,000	1,800,000
Interest cost	4,500,000	6,600,000
Amortization of City share of actuarial (gain) loss	(1,600,000)	1,200,000
Total expense related to Pension	12,300,000	15,600,000

**Other Employee Future Benefits**

The City provides for the payment of retirement allowances to retiring employees in accordance with the terms of the various collective agreements and Municipal policy. The retirement allowance is based on the member's final annual salary and years of service at retirement. Employees upon retirement from the City are entitled to a retirement allowance equal to one month's pay, to a maximum of six months, for every five years of service. The program has been amended to provide certain employees with a payout option prior to retirement. Accepting the early payout option eliminates further accumulation of retirement allowance entitlement for those employees.

The City also provides for employee sick leave. Unused sick leave accumulates to a maximum number of hours which varies by employment agreement. Under this program, employees are not entitled to a cash payment in lieu of sick leave when they leave the City's employment except as described below with respect to the retirement both outside workers (local 18) and firefighters (local 771).

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

**14. Post Employment Benefits and Compensated Absences (Continued)**

**Other Employee Future Benefits (Continued)**

Upon retirement, members of Local 18 and 771 will be eligible to receive 10% of their regular rate of pay for accumulated sick leave credits in excess of 1,760 hours or 2,280 hours respectively.

For employees of the City of Saint John Fire department, who are unable to work due to heart disease or permanent injury to the lungs, the City pays certain amounts to disabled firefighters or their survivor spouse as a result of the provisions of an Act of the Legislature, known as the Act respecting the Saint John Firefighters's Association.

As at January 1, 2013, the City's pension plan was converted to a shared risk model. As part of the conversion, the City assumed the obligation for paying existing disability pensions, that had been granted under the old plan, until disabled members reach the age of 65. On a go forward basis, disability coverage is now provided for employees through a long term disability program administered by an insurance carrier.

Finally there are specific agreements that obligate the City to pay top up pensions to certain individuals. During the year, the City made payments of \$63,800 (2019 - \$66,200) related thereto.

**Valuation Techniques and Assumptions**

Actuarial valuations of the above benefits are completed for accounting purposes using the projected benefit method prorated on services. The last actuarial valuation of the post-employment benefit plans was conducted as at December 31, 2020. Previous to that, an actuarial valuation was performed as at December 31, 2019.

The above benefit plans are unfunded and as such, there are no applicable assets. Benefits are paid out of general revenue as they become due.

A reconciliation of the accrued benefit obligation for these plans, along with the main assumptions used for disclosure and expense calculations are as follows:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Accrued benefit obligation, beginning of year	<b>24,943,900</b>	25,608,500
Current period benefit cost	<b>1,173,600</b>	1,062,800
Past Service improvement costs, plan ammendments	-	(1,334,500)
Benefit payments	<b>(1,769,200)</b>	(2,948,300)
Interest cost	<b>680,300</b>	853,400
Actuarial loss	<b>1,197,900</b>	1,702,000
Other employee future benefits, end of year	<b>26,226,500</b>	24,943,900

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Main assumptions used for these plans:		
Discount rate	<b>2.13%</b>	2.76%
Salary increase	<b>3.00%</b>	3.00%
EARSL Range	<b>3 to 23</b>	4 to 24

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

**14. Post Employment Benefits and Compensated Absences (Continued)**

These benefit plans require no contributions from employees. The benefit liability as at December 31, 2020 includes the following components:

	2020	2019
	\$	\$
<b>Accrued Benefit Obligation (Carrying Value)</b>		
Retirement allowances	5,770,600	4,921,100
Sick leave	9,916,000	9,142,000
Heart and lung pension	4,276,700	4,060,100
Disability benefits	4,183,000	4,754,600
Contractual top up agreements	1,080,800	1,090,200
Sick leave - Saint John Transit Commission	999,400	975,900
	<b>26,226,500</b>	<b>24,943,900</b>
Unamortized actuarial loss	<b>(7,758,400)</b>	<b>(7,086,200)</b>
	<b>18,468,100</b>	<b>17,857,700</b>

The unamortized actuarial losses will be amortized over the EARSL of the related employee groups starting in the next fiscal year. EARSL is determined separately for each benefit program.

The total expense related to other employee benefits described above includes the following components:

	2020	2019
	\$	\$
Current period benefit cost	1,173,600	1,062,800
Amortization of actuarial loss	525,700	822,200
	<b>1,699,300</b>	<b>1,885,000</b>
Other employee benefit interest expense	680,300	853,400
Total expense related to other employee future benefits	<b>2,379,600</b>	<b>2,738,400</b>

**15. Contingencies**

In accordance with the Regional Service Delivery Act and the General Regulation thereunder, the City is also liable for a pro rata share of the debentures and other long-term debt issued on behalf of the Fundy Region Solid Waste Commission ("Commission"). The portion attributable to the City is determined on the basis of its percentage of total population within all participating municipalities and unincorporated areas. The total of such debt outstanding at December 31, 2020 amounted to \$1,346,000 (2019 – \$2,000,000). Based on 2003 population figures, the City is liable for approximately 55% of the Commission's debt.

The City is, from time to time, subject to various investigations, claims, and legal proceedings covering matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the consolidated financial position or operating results of the City. Legal proceedings filed in December 2013 remain outstanding against the city of Saint John with respect to the alleged activity of a former employee/police officer. The relief sought has not been quantified in the documents filed with the court and therefore the city is not in a position to estimate the amount of potential liability if any, in this matter. Legal proceedings were filed against the City of Saint John in early 2018 relating to the water supplied by the municipal water system to some of its customers. The relief sought has not been quantified in the documents filed with the court and therefore the City is not in a position to estimate the amount of the potential liability, if any, in this matter.

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**16. Commitments**

**Greater Saint John Regional Facilities Commission**

During 1998, the Greater Saint John Regional Facilities Commission (“Regional Facilities Commission”) was created by an Act of the Legislative Assembly of New Brunswick. Under the provisions of the Act, the Regional Facilities Commission has the authority to determine the annual amount of total municipal contribution to be made towards the operation of five regional facilities: the Saint John Aquatic Centre Commission, Harbour Station Commission, the Saint John Trade and Convention Centre, the Imperial Theatre and the Saint John Arts Centre. Under the provisions of the Act, the City’s contribution is its pro rata share of the Regional Facilities Commission’s operating budget based on the tax bases of the participating municipalities of the Town of Quispamsis, the Town of Rothesay, the Town of Grand Bay-Westfield and the City of Saint John. The City's contribution is 66.95% in 2020 (2019 - 67.30%).

**17. Water and Sewer Fund Surplus**

The Municipalities Act requires Water and Sewer Fund surplus/deficit amounts to be absorbed into one or more of four Operating Budgets commencing with the second ensuing year; the balance of the surplus/deficit at the end of the year consists of:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
2020 Surplus	<b>969,038</b>	-
2019 Surplus	<b>196,731</b>	196,731
2018 Surplus	<b>38,844</b>	51,791
2017 Surplus	<b>266,018</b>	399,028
2016 Surplus	<b>179,141</b>	358,282
2015 Surplus	-	161,112
	<b>1,649,772</b>	1,166,944

**18. Water cost transfer**

The City’s water cost transfer for fire protection is within the maximum allowable by Regulation 81-195 under the Municipalities Act, based upon the applicable percentage of water system expenditures for the population.

**19. Funds Held in Trust**

Funds administered by the City for the benefit of external parties are not included in the consolidated financial statements. The amount administered as at December 31, 2020 was \$480,883 (2019 - \$476,554).



The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

20. Statement of Reserves

	Water & Sewer Capital Reserve	Water & Sewer Operating Reserve	General Operating Reserve	General Capital Reserve	2020 Total	2019 Total
<b>Assets</b>						
Cash	2,857,004	2,411,000	7,095,771	7,048,633	<b>19,412,408</b>	12,961,479
Accumulated Surplus	2,857,004	2,411,000	7,095,771	7,048,633	<b>19,412,408</b>	12,961,479
<b>Revenue</b>						
Transfers from Water and Sewerage						
Utility Operating	1,381,032	2,411,000	-	-	<b>3,792,032</b>	542,921
Transfers from General Operating						
Fund	-	-	2,501,725	4,321,247	<b>6,822,972</b>	4,824,989
Interest	2,295	-	33,315	17,067	<b>52,677</b>	378,094
Total Revenues	1,383,327	2,411,000	2,535,040	4,338,314	<b>10,667,681</b>	5,746,004
Expenditures	212,374	-	183,325	3,821,053	<b>4,216,752</b>	24,484,503
Annual Surplus (Deficit)	1,170,953	2,411,000	2,351,715	517,261	<b>6,450,929</b>	(18,738,499)
Balance, beginning of year	1,686,051	-	4,744,056	6,531,372	<b>12,961,479</b>	31,699,978
<b>Balance, end of year</b>	<b>2,857,004</b>	<b>2,411,000</b>	<b>7,095,771</b>	<b>7,048,633</b>	<b>19,412,408</b>	<b>12,961,479</b>

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**20. Statement of Reserves (Continued)**

**Council Resolutions regarding transfers to and from reserves**

Moved by Deputy Mayor McAlary, seconded by Councillor Sullivan: RESOLVED that the recommendation set out in each consent agenda item respectively with the exclusion of item 5.2 which has been referred to item 14.1 for discussion be adopted.

5.10 That as recommended by the City Manager in the submitted report entitled 2020 Reserve Transfers Common Council approve the transfer of:

\$2,151,725 to the General Fund Operating Reserve for COVID-19 funding received as part of the Federal Safe Restart program.

\$2,907,882.49 estimated amount to the General Fund Fleet Reserve for contributions made in 2020.

\$621,373 estimated amount to the General Fund Computer Reserve for contributions made in 2020.

\$1,225,000 to the Utility Fund Operating Reserve for COVID-19 funding received as part of the Federal Safe Restart program.

\$781,000 to the Utility Fund Operating Reserve to fund various projects budgeted in 2020.

\$405,000 to an Industrial Rate Stabilization reserve as part of the 2020 approved operating budget.

\$561,026 estimated amount to the Utility Fund Fleet Reserve for contributions made in 2020.

\$818,000 to an Industrial Capital Fund Reserve as part of the 2020 approved Utility Fund Operating budget.

\$120,000 from the General Fund Operating Reserve for the City's new website project

\$104,407.56 from the Growth Reserve for Council approved transfers for Succeed and Stay, Economic and Community Recovery and other approved growth initiatives.

\$1,100,000 from the General Fund Capital Reserve as part of the 2019 Approved Capital Project – City Hall Relocation.

\$2,428,730.74 estimated amount from the General Fund Fleet Reserve for various Fleet purchases made in 2020.

\$356,353.36 estimated amount from the General Fund Computer Reserve for various information technology purchases made in 2020.

\$212,374.12 estimated amount from the Utility Fund Fleet Reserve for various Fleet purchases made in 2020.

I hereby certify that the above are true and exact copies of resolutions adopted at the meetings of Common Council on December 14, 2020

  
\_\_\_\_\_  
Jonathan Taylor  
Common Clerk  
City of Saint John



September 3, 2021  
Date

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

21. Tangible Capital Assets

	Land	Land	Leasehold	Buildings	Vehicles	Machinery &	Transportation	Water &	Assets under	2020 Total
	\$	Improvements	Improvements	\$	\$	Equipment	\$	Wastewater	Construction	\$
		\$	\$	\$	\$	\$	\$	Networks	\$	\$
<b>COST</b>										
Balance, beginning of year	148,397,165	40,692,184	2,088,229	211,737,323	54,156,252	17,352,048	459,598,300	749,985,927	8,297,873	1,692,305,301
Additions and transfers	60,978	444,686	3,790,875	4,782,677	5,174,095	454,902	6,238,538	12,370,199	(3,359,439)	29,957,511
Disposals	135,000	-	-	947,512	3,200,056	255,766	4,595,859	753,729	-	9,887,922
Balance, end of year	148,323,143	41,136,870	5,879,104	215,572,488	56,130,291	17,551,184	461,240,979	761,602,397	4,938,434	1,712,374,890
<b>ACCUMULATED AMORTIZATION</b>										
Balance, beginning of year	-	18,177,770	1,682,781	108,174,837	30,149,341	11,246,710	227,477,773	276,442,556	-	673,351,768
Amortization for the year	-	1,346,754	194,947	5,388,676	3,835,683	1,376,427	12,010,420	16,977,003	-	41,129,910
Accumulated amortization on disposals	-	-	-	860,010	3,124,363	252,326	4,152,401	262,546	-	8,651,646
Balance, end of year	-	19,524,524	1,877,728	112,703,503	30,860,661	12,370,811	235,335,792	293,157,013	-	705,830,032
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>										
	<b>148,323,143</b>	<b>21,612,346</b>	<b>4,001,376</b>	<b>102,868,985</b>	<b>25,269,630</b>	<b>5,180,373</b>	<b>225,905,187</b>	<b>468,445,384</b>	<b>4,938,434</b>	<b>1,006,544,858</b>
<b>Consists of:</b>										
General Fund assets	148,323,143	21,612,346	4,001,376	102,868,985	25,269,630	5,180,373	225,905,187	-	1,511,398	534,672,438
Water and Wastewater assets	-	-	-	-	-	-	-	468,445,384	3,427,036	471,872,420
	<b>148,323,143</b>	<b>21,612,346</b>	<b>4,001,376</b>	<b>102,868,985</b>	<b>25,269,630</b>	<b>5,180,373</b>	<b>225,905,187</b>	<b>468,445,384</b>	<b>4,938,434</b>	<b>1,006,544,858</b>

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

21. Tangible Capital Assets (Continued)

	Land	Land Improvements	Leasehold Improvements	Buildings	Vehicles	Machinery & Equipment	Transportation	Water & Wastewater Networks	Assets under Construction	2019 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>COST</b>										
Balance, beginning of year	148,555,584	39,382,396	2,088,228	211,536,430	54,004,613	17,028,050	457,468,117	731,497,517	6,395,432	1,667,956,367
Additions and transfers	7,581	1,309,792	-	335,087	2,342,685	480,268	9,091,495	22,270,968	1,902,433	37,740,309
Disposals	166,000	-	-	134,194	2,191,045	156,268	6,961,312	3,782,556	-	13,391,376
Adjustments related to land held for resale	-	-	-	-	-	-	-	-	-	-
Balance, end of year	148,397,165	40,692,188	2,088,228	211,737,323	54,156,253	17,352,050	459,598,300	749,985,929	8,297,865	1,692,305,301
<b>ACCUMULATED AMORTIZATION</b>										
Balance, beginning of year	-	16,889,861	1,628,237	102,976,844	28,500,172	9,863,991	221,421,983	263,242,250	-	644,523,338
Amortization for the year	-	1,287,909	54,544	5,330,367	3,772,748	1,496,459	12,112,854	16,562,363	-	40,617,244
Accumulated amortization on disposals	-	-	-	132,374	2,123,579	148,892	6,057,064	3,362,057	-	11,823,966
Adjustments	-	-	-	-	-	35,152	-	-	-	35,152
Balance, end of year	-	18,177,770	1,682,781	108,174,837	30,149,341	11,246,710	227,477,773	276,442,556	-	673,351,768
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>										
	<b>148,397,165</b>	<b>22,514,418</b>	<b>405,447</b>	<b>103,562,486</b>	<b>24,006,912</b>	<b>6,105,340</b>	<b>232,120,527</b>	<b>473,543,373</b>	<b>8,297,865</b>	<b>1,018,953,533</b>
<b>Consists of:</b>										
General Fund assets	148,397,165	22,514,418	405,447	103,562,486	24,006,912	6,105,340	232,120,527	-	5,221,057	542,333,352
Water and Wastewater assets	-	-	-	-	-	-	-	473,543,373	3,076,808	476,620,181
	<b>148,397,165</b>	<b>22,514,418</b>	<b>405,447</b>	<b>103,562,486</b>	<b>24,006,912</b>	<b>6,105,340</b>	<b>232,120,527</b>	<b>473,543,373</b>	<b>8,297,865</b>	<b>1,018,953,533</b>

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

**22. Segment Disclosure**

	General Government Services	Protective Services	Transportation Services	Water & Sewer Services	Environmental Health Services	Environmental Development Services	Recreational & Cultural Services	Energy Services	2020 Consolidated	2019 Consolidated
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>										
Property taxes	127,968,110	-	-	-	-	-	-	-	<b>127,968,110</b>	125,704,831
Unconditional grant	16,182,335	-	-	-	-	-	-	-	<b>16,182,335</b>	16,279,669
Financial assistance	4,590,709	-	-	-	-	-	-	-	<b>4,590,709</b>	2,788,061
Other revenue from own sources	1,005,836	2,979,276	7,808,454	-	-	3,411,350	857,654	-	<b>16,062,570</b>	24,329,404
Miscellaneous revenue	3,513,167	-	-	-	-	75,958	-	-	<b>3,589,125</b>	740,887
Water & sewer revenue	-	-	-	44,845,378	-	-	-	-	<b>44,845,378</b>	45,592,250
Income from energy services	-	-	-	-	-	-	-	-	-	-
Contributions from others	6,772	308,031	444,984	-	-	126,687	983,663	-	<b>1,870,137</b>	1,654,379
	<b>153,266,929</b>	<b>3,287,307</b>	<b>8,253,438</b>	<b>44,845,378</b>	<b>-</b>	<b>3,613,995</b>	<b>1,841,317</b>	<b>-</b>	<b>215,108,364</b>	<b>217,089,481</b>
<b>EXPENSES</b>										
Salaries and benefits	12,134,651	48,288,381	19,973,861	10,659,762	1,620,601	7,056,437	4,379,851	-	<b>104,113,544</b>	108,228,789
Goods and services	12,205,600	5,380,827	8,189,352	15,581,301	2,104,283	9,684,283	3,096,230	-	<b>56,241,876</b>	59,072,973
Amortization of tangible assets	7,995,171	-	14,576,916	16,977,003	-	247,163	1,333,657	-	<b>41,129,910</b>	40,617,244
Interest and bank charges	3,162,462	-	622,815	3,005,564	-	56,186	4,098	-	<b>6,851,125</b>	7,704,780
Loss from energy services	-	-	-	-	-	-	-	4,039,000	<b>4,039,000</b>	10,046,000
	<b>35,497,884</b>	<b>53,669,208</b>	<b>43,362,944</b>	<b>46,223,630</b>	<b>3,724,884</b>	<b>17,044,069</b>	<b>8,813,836</b>	<b>4,039,000</b>	<b>212,375,455</b>	<b>225,669,786</b>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>										
	<b>117,769,045</b>	<b>(50,381,901)</b>	<b>(35,109,506)</b>	<b>(1,378,252)</b>	<b>(3,724,884)</b>	<b>(13,430,074)</b>	<b>(6,972,519)</b>	<b>(4,039,000)</b>	<b>2,732,909</b>	<b>(8,580,305)</b>

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

**23. Consolidated Schedule of Accumulated Surplus (Deficit) Reconciliation**

	<b>General Operating Fund \$</b>	<b>General Capital Fund \$</b>	<b>Water &amp; Sewer Operating Fund \$</b>	<b>Water &amp; Sewer Capital Fund \$</b>	<b>Trust Funds \$</b>	<b>Controlled Entities \$</b>	<b>Total \$</b>
2020 Annual Fund Surplus (Deficit), per Local Governance Act	(991,455)	22,692,781	969,036	42,976,414	(39,010)	(4,754,690)	<b>60,853,076</b>
<b>Adjustments to 2020 annual surplus (deficit) for funding requirements</b>							
Second previous year's surplus (deficit)	119,915	-	(486,000)	-	-	-	<b>(366,085)</b>
PSAS adjusting entries	(18,377,136)	(46,838,917)	3,286,752	(29,117,266)	-	(10,479,061)	<b>(101,525,628)</b>
Amortization expense	-	24,152,907	-	16,977,003	-	-	<b>41,129,910</b>
Long-term debt principal repayment	14,913,751	-	6,368,000	-	-	-	<b>21,281,751</b>
Post employment adjustment	634,900	-	-	-	-	-	<b>634,900</b>
Pension expense	5,500,000	-	-	-	-	-	<b>5,500,000</b>
Amortization of actuarial gain (loss)	1,600,000	-	-	-	-	-	<b>1,600,000</b>
Long-term disability	(774,000)	-	-	-	-	-	<b>(774,000)</b>
Capital from operating	2,600,000	-	5,500,000	-	-	-	<b>8,100,000</b>
Total adjustments to 2020 annual surplus (deficit)	6,217,430	(22,686,010)	14,668,752	(12,140,263)	-	(10,479,061)	(24,419,152)
<b>2020 Annual Surplus (Deficit), per PSAS</b>	<b>5,225,975</b>	<b>6,771</b>	<b>15,637,788</b>	<b>30,836,151</b>	<b>(39,010)</b>	<b>(15,233,749)</b>	<b>36,433,924</b>

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

24. Controlled Entities Operations

	Saint John Transit Commission \$	Saint John Parking Commission \$	Develop Saint John \$	Harbour Station Commission \$	Aquatic Centre Commission \$	Trade and Convention Centre \$
Total assets	28,703,567	17,999,953	81,236,140	1,306,501	180,874	-
Total liabilities	13,454,529	9,744,157	711,560	567,871	743,067	-
<b>Accumulated surplus (deficit)</b>	15,249,038	8,255,796	80,524,580	738,630	(562,193)	-
Total revenues	3,008,880	2,816,058	255,219	1,589,757	1,256,540	147,751
Total operating expenses	11,211,365	2,627,242	1,407,400	2,228,337	2,310,191	273,717
<b>Annual surplus (deficit)</b>	(8,202,485)	188,816	(1,152,181)	(638,580)	(1,053,651)	(125,966)

	Saint John Energy \$	Lord Beaverbrook \$	Saint John Free Public Library \$	Canada Games Foundation \$	2020 Consolidated \$	2019 Consolidated \$
Total assets	36,716,000	343,172	1,268,123	7,868,843	175,623,173	200,618,676
Total liabilities	-	156,543	60,067	11,874	25,449,668	29,415,616
<b>Accumulated surplus (deficit)</b>	36,716,000	186,629	1,208,056	7,856,969	150,173,505	171,203,060
Total revenues	-	75,149	90,646	477,238	9,717,238	39,959,855
Total operating expenses	4,039,000	298,533	555,202	-	24,950,987	25,860,948
<b>Annual surplus (deficit)</b>	(4,039,000)	(223,384)	(464,556)	477,238	(15,233,749)	14,098,907

The above noted entities are included in the Consolidated Financial Statements. The results of Saint John Energy are included in the Consolidated Financial Statements using the modified equity method

**The City of Saint John**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2020**

---

**25. Reconciliation of Funding Deficit Upon Adoption of PSAS**

On January 1, 2017 the City adopted the use of PSAS. As a result, certain liabilities relating to employment benefits had to be restated to reflect the adoption of the standards.

	<b>Special Top-up Agreements</b>	<b>Heart and Lung</b>	<b>Retirement Allowances</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Liabilities at December 31, 2016 as calculated on adoption of PSAS	1,035,500	5,133,600	4,517,400
Amount of December 31, 2016 liabilities funded in current year	45,300	(1,134,600)	1,253,200
<b>Balance to be funded in future years</b>	<b>1,080,800</b>	<b>3,999,000</b>	<b>5,770,600</b>

**26. COVID-19 Pandemic**

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time. While the City is unable to reliably estimate the impact, the length or the severity of these developments at this time, the City does not expect that the financial impact will have a material effect on the financial results and condition of the City in future periods.



The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

27. Other Revenue and Expense Details

	2020 Budget (Unaudited) (Note 2) \$	2020 \$	2019 \$
<b>REVENUE</b>			
<b>Other Revenues from Own Sources</b>			
Transportation services	12,657,794	<b>7,808,454</b>	11,882,285
Environmental development services	3,301,681	<b>3,411,350</b>	6,085,926
Protective services	2,870,027	<b>2,979,276</b>	3,229,252
General government services	3,135,268	<b>1,005,836</b>	1,503,397
Recreational and cultural services	1,132,439	<b>857,654</b>	1,628,544
	<b>23,097,209</b>	<b>16,062,570</b>	24,329,404
<b>Contributions from Others</b>			
Recreational and cultural services	-	<b>983,663</b>	-
Transportation services	250,000	<b>444,984</b>	253,762
Protective services	-	<b>308,031</b>	38,434
Environmental development services	1,092,727	<b>126,687</b>	925,772
General government services	-	<b>6,772</b>	436,411
	<b>1,342,727</b>	<b>1,870,137</b>	1,654,379
<b>Government Transfers for Capital</b>			
Regional Development Corporation	-	<b>28,373,933</b>	13,090,484
Infrastructure Canada - gas tax funding	-	<b>2,299,211</b>	2,512,951
Federal/Provincial clean waste water funding	-	<b>1,173,523</b>	2,204,137
ACOA/RDC City Market	-	<b>967,933</b>	-
Other	-	<b>782,096</b>	417,256
Infrastructure Canada - SCDW	-	<b>104,319</b>	48,495,681
	-	<b>33,701,015</b>	66,720,509
<b>Other Contributed Assets for Capital</b>			
Donated assets	-	-	1,225,004
Federation of Canadian Municipalities	-	-	923,767
Other	-	-	54,030
	-	-	2,202,801

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

27. Other Revenue and Expense Details (Continued)

	2020 Budget (Unaudited) (Note 2) \$	2020 \$	2019 \$
<b>EXPENDITURES</b>			
<b>General Government Services</b>			
<b>Legislative</b>			
Common Council	549,067	<b>466,686</b>	478,157
Mayor's office	218,130	<b>175,715</b>	190,070
	767,197	<b>642,401</b>	668,227
<b>City Manager</b>			
City manager	800,584	<b>743,498</b>	673,380
Corporate communications	573,547	<b>491,451</b>	388,016
Corporate planning	503,224	<b>403,336</b>	536,453
	1,877,355	<b>1,638,285</b>	1,597,849
<b>Common Services</b>			
Property assessment	1,367,705	<b>1,390,789</b>	1,366,162
City hall building	1,225,211	<b>1,305,313</b>	943,723
Public liability insurance	340,000	<b>386,631</b>	348,372
	2,932,916	<b>3,082,733</b>	2,658,257
<b>Other</b>			
Amortization	-	<b>7,995,152</b>	7,854,068
Other	4,913,458	<b>6,261,921</b>	1,751,496
Information systems and support	2,966,799	<b>3,657,737</b>	2,247,593
Debt charges	17,719,871	<b>3,162,534</b>	3,593,183
Post employment expenses	9,575,000	<b>2,480,258</b>	5,495,738
Finance	1,640,459	<b>2,347,271</b>	2,406,614
Human resources	1,565,654	<b>1,401,575</b>	1,512,655
Materials management	1,207,895	<b>1,234,061</b>	1,171,860
City solicitor	795,948	<b>845,788</b>	656,969
Insurance	171,500	<b>167,233</b>	165,201
Common clerk	605,438	<b>560,923</b>	569,140
Regional Services Commission	20,000	<b>20,012</b>	37,474
	41,182,022	<b>30,134,465</b>	27,461,991
<b>Total General Government Services</b>	<b>46,759,490</b>	<b>35,497,884</b>	<b>32,386,324</b>

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

27. Other Revenue and Expense Details (Continued)

	2020 Budget (Unaudited) (Note 2) \$	2020 \$	2019 \$
<b>Protective Services</b>			
<b>Police Protection</b>			
Police operations	15,212,146	<b>15,357,377</b>	15,129,893
Criminal investigations	4,645,588	<b>4,489,301</b>	4,570,677
Administration	2,185,830	<b>2,283,066</b>	1,995,988
Support services	1,920,869	<b>1,607,749</b>	1,573,891
Stations and buildings	956,700	<b>792,054</b>	923,036
Automotive	1,000,500	<b>601,719</b>	611,968
Detention services	174,000	<b>168,589</b>	170,874
	26,095,633	<b>25,299,855</b>	24,976,327
<b>Fire Protection</b>			
Fire operations	23,973,021	<b>22,307,841</b>	22,944,949
Fire prevention	866,034	<b>796,114</b>	842,833
Fire investigation	70,931	<b>60,169</b>	60,268
	24,909,986	<b>23,164,124</b>	23,848,050
<b>Other Protective Services</b>			
Emergency dispatch centre	2,583,013	<b>2,765,484</b>	2,547,815
Inspection services	1,061,368	<b>950,738</b>	934,812
Enforcement services	413,596	<b>387,029</b>	434,824
Dangerous buildings	501,524	<b>368,197</b>	410,743
Emergency measures	336,152	<b>358,615</b>	384,867
Minimum standards	285,085	<b>283,921</b>	264,241
Animal control	91,244	<b>91,245</b>	89,632
	5,271,982	<b>5,205,229</b>	5,066,934
<b>Total Protective Services</b>	56,277,601	<b>53,669,208</b>	53,891,311
<b>Transportation Services</b>			
<b>Public Works</b>			
Amortization	-	<b>12,010,420</b>	12,112,854
Roads and sidewalks	17,000,822	<b>11,013,541</b>	13,208,362
Other drainage services	2,693,330	<b>2,081,343</b>	2,693,469
Street lighting	999,159	<b>937,187</b>	949,174
Municipal operations	625,296	<b>586,521</b>	504,727
	21,318,607	<b>26,629,012</b>	29,468,586

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

27. Other Revenue and Expense Details (Continued)

	2020 Budget (Unaudited) (Note 2) \$	2020 \$	2019 \$
<b>General Engineering</b>			
Traffic engineering and systems	2,241,753	<b>1,778,887</b>	2,082,029
Transportation	572,934	<b>661,609</b>	550,711
	<b>2,814,687</b>	<b>2,440,496</b>	2,632,740
<b>Parking Administration</b>			
Parking administration	616,756	<b>454,829</b>	506,135
	<b>616,756</b>	<b>454,829</b>	506,135
<b>External Controlled Entities</b>			
Saint John Transit Commission	10,210,003	<b>11,211,365</b>	13,254,104
Saint John Parking Commission	4,636,835	<b>2,627,242</b>	2,943,867
	<b>14,846,838</b>	<b>13,838,607</b>	16,197,971
<b>Total Transportation Services</b>	<b>39,596,888</b>	<b>43,362,944</b>	48,805,432
<b>Water and Sewer Services</b>			
<b>Saint John Water &amp; Wastewater</b>			
Amortization	-	<b>16,977,003</b>	16,562,363
Drinking water	15,658,000	<b>13,282,700</b>	14,107,169
Wastewater	11,183,000	<b>8,552,753</b>	9,288,025
Fiscal charges	19,315,999	<b>4,514,755</b>	4,594,608
Industrial water	2,442,001	<b>2,003,970</b>	1,511,160
Infrastructure management	822,000	<b>724,774</b>	702,471
Internal charges	910,000	<b>167,675</b>	185,823
<b>Total Water and Sewer Services</b>	<b>50,331,000</b>	<b>46,223,630</b>	46,951,619
<b>Environmental Health Services</b>			
Sanitary Services	3,781,035	<b>3,724,884</b>	3,264,430
<b>Total Environmental Health Services</b>	<b>3,781,035</b>	<b>3,724,884</b>	3,264,430

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

27. Other Revenue and Expense Details (Continued)

	2020 Budget (Unaudited) (Note 2) \$	2020 \$	2019 \$
<b>Environmental Development Services</b>			
<b>Research and Planning</b>			
Community planning	1,716,242	<b>1,527,657</b>	1,459,226
Succeed and stay	200,343	<b>140,441</b>	123,571
Plan SJ	121,345	-	53,648
	<b>2,037,930</b>	<b>1,668,098</b>	1,636,445
<b>Administration and Geographic Information Systems (GIS)</b>			
Carpenter shop	324,236	<b>400,096</b>	200,841
GIS	420,721	<b>380,141</b>	333,335
	<b>744,957</b>	<b>780,237</b>	534,176
<b>Economic Development</b>			
Market Square common area	2,488,248	<b>2,490,900</b>	2,506,897
Regional facilities	2,321,289	<b>885,294</b>	974,399
Regional economic development	475,000	<b>475,000</b>	475,000
Growth reserve	350,000	-	42,500
	<b>5,634,537</b>	<b>3,851,194</b>	3,998,796
<b>Real Estate Management</b>			
Property management	1,476,376	<b>1,990,931</b>	2,030,414
Real estate	275,891	<b>252,332</b>	262,074
	<b>1,752,267</b>	<b>2,243,263</b>	2,292,488
<b>Other Environmental Development Services</b>			
City Market	1,012,480	<b>1,111,034</b>	1,196,384
Tourism	2,018,608	<b>973,034</b>	1,033,495
Community development	194,358	<b>197,834</b>	267,508
	<b>3,225,446</b>	<b>2,281,902</b>	2,497,387
<b>External Controlled Entities</b>			
Aquatic Centre Commission	-	<b>2,310,191</b>	2,882,411
TD Station Commission	1,130,366	<b>2,228,337</b>	3,193,038
Develop Saint John	2,516,947	<b>1,407,130</b>	1,810,618
Trade and Convention Centre	925,054	<b>273,717</b>	928,574
	<b>4,572,367</b>	<b>6,219,375</b>	8,814,641
<b>Total Environmental Development Services</b>	<b>17,967,504</b>	<b>17,044,069</b>	19,773,933

The City of Saint John  
Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

27. Other Revenue and Expense Details (Continued)

	2020 Budget (Unaudited) (Note 2) \$	2020 \$	2019 \$
<b>Recreational and Cultural Services</b>			
<b>Cultural Grants</b>			
Other cultural grants	1,535,615	<b>1,089,572</b>	1,281,063
	1,535,615	<b>1,089,572</b>	1,281,063
<b>Parks</b>			
Parks general services	2,310,698	<b>1,748,643</b>	1,891,702
Rockwood Park	571,447	<b>393,244</b>	575,602
	2,882,145	<b>2,141,887</b>	2,467,304
<b>Community Services</b>			
Recreation and parks	259,186	<b>241,769</b>	228,906
Parks and playgrounds	313,565	<b>226,680</b>	208,259
Pro Kids	124,940	<b>79,810</b>	109,863
	697,691	<b>548,259</b>	547,028
<b>Other Recreational and Cultural Services</b>			
Sports and recreation	3,411,120	<b>2,831,737</b>	3,638,307
Amortization	-	<b>1,333,657</b>	1,274,812
Community centres	663,842	<b>378,236</b>	677,854
Cultural affairs	124,110	<b>113,991</b>	103,284
	4,199,072	<b>4,657,621</b>	5,694,257
<b>Externally Controlled Entities</b>			
Saint John Free Public Library	-	<b>555,202</b>	583,322
Lord Beaverbrook Rink	-	<b>298,533</b>	441,468
Canada Games Foundation	-	<b>(477,238)</b>	(463,705)
	-	<b>376,497</b>	561,085
<b>Total Recreational and Cultural Services</b>	9,314,523	<b>8,813,836</b>	10,550,737
<b>TOTAL EXPENDITURES</b>	224,028,041	<b>208,336,455</b>	215,623,786